



December 18, 1995

To: Don Patton

From: Alan MacKenzie

cc: Doug Durand
Don Meek
Scott Maske
Yasu Hasegawa
Karen Howard
Gina Borkowski
Chris Lockett
John Campbell

Subject: 3 Month Depot Reimbursement

On Friday December 15, Karen Howard, Gina Borkowski, Chris Lockett and myself met with Rescon Reimbursement Consultants and Hogan and Harston to finalize our 3 Month Depot reimbursement direction.

Meeting with Rescon

We met with Mary Ann Zamula, Executive Vice President. Mary Ann indicated that she inquired about 3 Month Depot coding from the senior coding officer @ HCFA. She was told there is no need for a new code, as 22.5 mg can be accommodated by the current J9217 by adding "3" into the units field. Taking this direction we discussed with Mary Ann how to best ensure smooth processing at the local carrier level. These are the action steps we agreed on and for which Rescon will submit a proposal.

1. Announcement letters are to be sent to each Medicare carrier on 3 Month Depot approval which will include a portion stating that it is our understanding that HCFA is requesting the current J9217 with 3 units.
2. Both Rescon and Tap's State Government Affairs (SGA) representatives will follow up by telephone with each of the Medicare carriers. These calls will serve to confirm that the carrier received our notification and is in agreement with the code and procedure. We also will request that the local carrier put these 22.5 mg guidelines in their monthly instruction newsletter to their providers. Rescon will call on behalf of themselves, a company that assists physician providers in Medicare billing. The TAP SGA reps will obviously call on behalf of TAP. Dual follow up will allow us to be sure of a consistent understanding at the local carrier level.

3. Gina believes that her current staffing will not be able to handle additional "Hotline" calls that are expected as a result of the 3 month launch. I would recommend that TAP allow Gina to staff-up by two people to man a 3 Month Depot Reimbursement Hotline. If that is not possible we discussed the possibility of setting up a dedicated Lupron Reimbursement Hotline at Rescon (a service they currently provide for other major pharmaceuticals clients). While we believe Rescon to be good, in the case of direct customer interface, this service would definitely best be done in house.
4. Rescon will also send 3 Month Depot notification letters to each of the state Medicaid carriers and to the managed care database developed for the Prevacid launch announcements. Chris Lockett and Jeff Wren will evaluate Rescon's lists and modify as necessary. There will be no telephone follow-up accompanying these announcements.
5. Now that the reimbursement direction is set, Gina will be writing the reimbursement guidelines for the 3 Month Depot information packet. We also discussed customizing the Medigap Assistance Program brochure for 3 Month Depot as part of the patient packet. It is critical that patients have a Medigap Policy to pay for their \$300 co-pay portion of the 3 Month Depot.

Meeting with Hogan Harston

Summary

The above mentioned strategy should:

1. Allow for continued, quick electronic Medicare submissions by our physicians
2. Set 22.5mg allowables at 3 x 7.5mg allowables.
3. Demonstrate to our customers that reimbursement of 22.5mg should not be an issue in their minds, TAP has it covered.

I will keep you posted as the above mentioned developments unfold.

REDACTED